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ABSTRACT

This self-instructional module on improving employee selection, training, and supervision is the tenth in a set of twelve modules designed for small business owner-managers. Competencies for this module are (1) describe the three-step approach to selecting effective employees and (2) describe two of the most important characteristics possessed by successful supervisors. Provided are information sections; one learning activity (rating factors related to employee satisfaction); three pamphlets from the Small Business Administration ("Finding and Hiring the Right Employees," "Hiring the Right Man," and "Matching the Applicant to the Job"); and a script for a cassette tape designed for use with this module. (The final report of this project is available as CE 017 858.) (JH)

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PURPOSE

Every employee you hire becomes a representative of your business. Customers will form opinions about your firm based on the conduct of persons who work for you. One purpose of this module is to provide you with a few important tips on how to select and train employees who will contribute to the success of your business. A second purpose of this module is to increase your knowledge of factors which contribute to effective employee supervision.

COMPETENCIES

Upon completion of this module you will be able to:

1. Describe the three-step approach to selecting effective employees.

2. Describe two of the most important characteristics possessed by successful supervisors.

INSTRUCTIONS

Before reading the material which begins on page 2, listen to the cassette entitled "Improving Employee Selection, Training, and Supervision."

WHEN HIRING EMPLOYEES -- DON'T MOVE TOO FAST!!

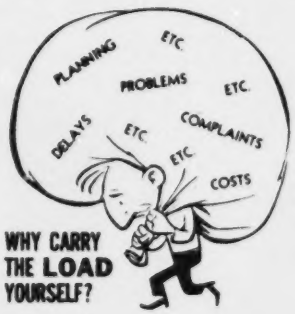
Too frequently owner-managers of small business firms hire new employees in a hurry. When an employee quits the call goes out... "I need someone as quickly as possible." When employee selection is done in a hurry, without careful attention to detail, problems may arise. Selecting the wrong person to fill an opening usually increases the cost of operating your business. Here are some reasons why:

$ If the newly hired employee is unable or unwilling to perform duties efficiently, then the cost of this low productivity must be absorbed by the business.

$ If the new employee fails to give your customers friendly, efficient service, they may not return. Even <u>one</u> lost customer will reduce your profits.

$ If the new employee quits after a few weeks, or must be fired, your business will suffer an economic loss. The time and money spent training new employees represents a major operating expense. The cost of replacing one employee will range from $300 to $500. Employee turnover is expensive!

MAKE IT EASY ON YOURSELF



Most small business owner-managers must share the work load with other employees. By hiring well qualified people to perform specific duties, your job will be easier. You should search for employees who will learn their new duties in a short period of time, display interest in their work, and complete assignments with a minimum of supervision. In order to find the right employee to match your job opening, follow these three basic steps:

1. <u>Decide what type of applicant is needed</u>. The duties to be performed by the new employee should be carefully outlined. Sometimes we hire the wrong person because the duties they will perform are not clearly spelled out.

2. <u>Search out applicants from several sources</u>. To identify the best possible person to fill a vacancy, it is usually best to seek applicants from more than one source. As a rule of thumb, interview at least three applicants for each opening. Some suggested sources of new employees follow:

SCRIPT

IMPROVING EMPLOYEE SELECTION, TRAINING AND SUPERVISION

INTRODUCTION:

It is no secret that many small business firms achieve success because customers enjoy the friendly, efficient service they receive from the owner. In some cases the quality of service declines when the business expands and new employees must be added to the payroll. This need not happen.

Among the many job applicants in your community, only a few will possess the qualities you are looking for. Therefore, it pays to approach the hiring of new employees with care. Proper training and supervision will also contribute to the development of capable employees.

Let's listen to Bob, Sue, Ted, and Carol discuss selection, training, and supervision of employees.

SETTING: THE BACK PATIO OF TED AND CAROL DAVIS' HOME.

Carol: Ice tea anyone? (THE SOUND OF ICE CLINKING IN GLASSES)

Sue: I certainly can use something cool. It must be 90 degrees today.

Bob: Thanks Carol. This really hits the spot.

Ted: Come on Carol, sit down and rest your feet. You have been working all day at the store and must be tired.

Carol: No, not really tired, but I do feel a little uptight. I had a rather frustrating experience today?

Ted: What happened?

Carol: Well, do you remember that handsome young man I hired two months ago?

Ted: Yes.

Carol: Well, I had to terminate him today. I postponed talking with him until 4 o'clock this afternoon. It took me that long to screw up my courage. It's the first time I have ever fired an employee.

Sue: I don't think I could ever fire someone. It must be very difficult to let an employee go.

Bob: I agree. What was the problem?

Sue: He frequently came to work late. In fact, he was late for work twice the first week on the job. He also missed quite a bit of work due to illness. I talked to him several times about the problem, but it didn't do any good.

Bob: Did you check his references?

Carol: I was afraid you would ask that. I am embarrassed to say I did not call any of his previous employers. We needed a replacement in a hurry and he seemed to fill the bill. He was polite during the interview and everyone who met him was impressed by his good looks.

Ted: Now you are making me jealous. (EVERYONE LAUGHS)

Bob: Carol, don't feel you are alone. Many times we get fooled by first impressions. I do feel strongly about checking references, however. Past work habits serve as a good prediction of future performance.

Carol: Do many of the business firms you work with have personnel problems?

Bob: Oh, yes. Many of the business owners I work with hire the wrong people. As a bookkeeper I often see the results of poor employee selection first.

Carol: What do you mean?

Bob: Employee theft is very common today. Many times a shortage of cash or merchandise is traced to a dishonest employee. It happens quite often.

Ted: What advice do you give business owners?

Bob: I give the same advice to everyone. Always give time and thought to the type of person you wish to hire. Never hire a new employee in a hurry. Nine times out of ten you will be sorry. Decide what type of employee you want to hire and then search out applicants from several sources. Don't hire the first person who walks through the door--even if he is good looking! (EVERYONE LAUGHS)

Carol: You really know how to hurt a person.

Ted: I can agree with what you are saying, but most small business owners are very busy. They simply don't have time to spend days hiring and training employees.

Bob: Sorry Ted, I don't agree. In most cases you spend more time with an employee who is unable or unwilling to do the job properly. Look how much frustration Carol experienced during the past two months. That frustration might have been avoided.

Carol: I can tell you one thing--it hurts to admit that you made a mistake.

Bob: At least you had the common sense to get rid of someone who was not carrying his share of the load.

Sue: I guess I am a little confused. Many experts in the field of personnel say that training is a cure for most employee problems.

Bob: Training is very important and I encourage business owners to invest time and money in this area. Without training new employees will do things their way. Once you select the best person for the job, it makes sense to train this individual.

Sue: Why isn't training given more attention. I've noticed that many new employees simply do not know what they are doing.

Bob: I am not sure I know the answer. My hunch is that many business owners feel training is too time consuming. They expect the employee to learn the job through trial and error. Of course, this approach can be very costly.

Carol: Well, I don't think all the training in the world would have helped this employee. He simply possessed too many bad work habits.

Bob: You are probably right Carol. But in most cases, training, accompanied by good supervision, will bring out the best in people. My big concern is that many employees do not work up to their full capacity. And it may not be their fault. An untrained employee simply may not know how to do the job.

Ted: You seem to feel very strong about this issue.

Bob: Yes, and I feel the problem may get worse. My big concern is that many employees do not give the employer a full days work for a full days pay. A recent Gallup Poll supports this view. They asked this question: "Some persons claim that American workers are not turning out as much work each day as they should. Do you agree or disagree with this?" Fifty-six percent of the workers polled agreed.

Carol: Look, I think we've discussed business long enough. It's time to put the hamburgers on the grill. Ted, are you going to help?

Ted: Sorry Carol, I've never had any training in that area.
(EVERYONE LAUGHS)

CONCLUSION:

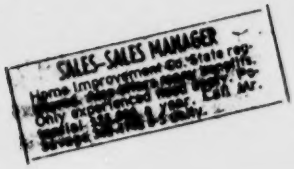
In this case, Carol faced the unpleasant task of firing an employee. Could the problem have been prevented? The answer is probably yes. We should approach hiring with care. And once the person is hired, training is absolutely necessary. Never let someone learn through trial and error. In summary, try to hire a person who has the potential to do the job. Then invest some time in training so the person knows how to do the job properly.

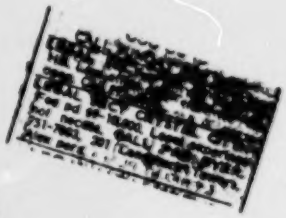
Now it's time to return to the script and learn more about employee selection, training, and supervision. Please turn to page 2.

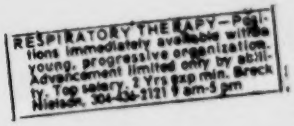
A. Public Employment Service: Nearly 2000 local employment offices are located throughout the nation. The employment Service will recruit applicants and screen them according to your specifications. There is no charge for this service.

B. Distributive Education Departments: This is a good source of part-time employees in the 16 to 18 age range. Many local high schools sponsor these vocational education programs.

C. Help Wanted Ads: A carefully prepared newspaper ad will often attract job applicants. Although the newspaper advertisement reaches a large number of jobseekers, it may attract a large number of persons who are not qualified.



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D. Private Employment Agencies: These firms specialize in matching applicants to the job. They do some initial screening for employers.

Job applicants also can be found by contacting customers, suppliers, present employees, or friends. Some small business owner-managers place a "Help Wanted" sign in the window.

3. Screening Applicants. Selecting the right employee from several applicants can be a real challenge. To make this task easier, always have each applicant complete an application form. This information can serve as the starting point for your interview. During the interview get the applicant to talk about his/her self and work experience. Ask appropriate questions such as:

"Would you be willing to work nights?"
"Why did you leave your last job?"
"Do you enjoy working with people?"

Supply the applicant with complete and accurate information about the job. Be honest about the good and bad features. Finally, check the information given you by the applicant to see if it is accurate.

EMPLOYEE ORIENTATION AND TRAINING

Once you have selected the best qualified person for the job, there are two things which should be done to insure that this person becomes a productive member of your staff:

1. Give the new employee a thorough orientation to your business operation. Try to provide the orientation before the employee begins working. This will include a review of your business policies, payroll procedures, and a frank discussion of your approach to doing business. You might also wish to discuss the past history of your firm and your plans for the future.

2. Initiate a training program which covers all facets of the new employees job. Keep in mind that in the absence of formal training, the employee will develop his/her own approach to performing tasks. We must always view training as an investment. It is also a good practice to give the employee periodic progress reports. Most employees want to know if they are performing their duties in the correct manner.

CHARACTERISTICS OF SUCCESSFUL SUPERVISORS

The owner of a small business firm assumes an important role in the development of positive work attitudes among employees. When employees receive personal satisfaction from their work, they are generally more productive and display greater concern for building customer goodwill. Therefore, the development of supervisory skills will help you achieve the dual goals of improving the economic status of the business firm and the personal well-being of the employee.

"How to be an effective supervisor" has been discussed in hundreds of books and articles. A careful review of this material indicates that most successful supervisory-management personnel have certain things in common. These writers agree that there are two important dimensions of effective supervisory leadership.

1. Structure - A supervisor who displays "structure" is one who clearly defines his own duties and those of employees. This person assumes an active role in directing the work of subordinates. Policies and procedures are clearly defined. Employees know what is expected of them. Employees also know how well they are doing because the "structured" supervisor evaluates their performance and lets them know how well they are doing. The predictable nature of the structured supervisor contributes to the employees need for security.

2. Consideration - A supervisor who possesses this quality is more likely to have relationships with employees characterized by mutual trust. He/she has respect for subordinates and is considerate of their feelings. A climate of good two-way communication usually exists between the supervisor and the employee. The supervisor who possesses "consideration" also recognizes the accomplishments of subordinates. Recognition for work well done is provided on a regular basis. Every owner-manager should strive to develop the qualities of "structure" and "consideration."

NOTE: Please turn to page 6 and complete learning activity number one.

LEARNING ACTIVITY NUMBER ONE

Below is a list of ten morale building factors, things that typical employees want from their jobs. Please rate these factors in order of importance to your employees using the numbers 1 thru 10. The morale building factor you rate as being most important to an employee should be rated number 1, the second most important morale building factor should be rated number 2, and so on. Once you have rated each factor, turn the page over and compare your results with those of a national study. Be sure to look at each factor through the eyes of your own employees.

_____GOOD WORKING CONDITIONS

_____PROMOTION AND GROWTH IN COMPANY

_____PERSONAL LOYALTY TO WORKERS

_____ WORK THAT KEEPS YOU INTERESTED

_____FEELING "IN" ON THINGS

_____TACTFUL DISCIPLINING

_____MONEY

_____SYMPATHETIC HELP WITH PERSONAL PROBLEMS

_____JOB SECURITY

_____FULL APPRECIATION OF WORK DONE

NOTE: Please turn to the reverse side of this page and review the results of a national study.

RESULTS OF NATIONAL STUDY

Several years ago a national study was conducted to determine what employees want most from their job. Several hundred employees were polled. The results of this study appear below. Please compare your own ranking with these findings.

GOOD WORKING CONDITIONS (9)

PROMOTION AND GROWTH IN COMPANY (7)

PERSONAL LOYALTY TO WORKERS (8)

WORK THAT KEEPS YOU INTERESTED (6)

FEELING "IN" ON THINGS (2)

TACTFUL DISCIPLINING (10)

MONEY (5)

SYMPATHETIC HELP WITH PERSONAL PROBLEMS (3)

JOB SECURITY (4)

FULL APPRECIATION OF WORK DONE (1)

You will note that "full appreciation of work done" was ranked number one. "Feeling 'in' on things" was ranked number two. It should be pointed out that every employee is somewhat different and these results may not reflect the attitudes of your employees. Get to know your employees well and find out what they want most from their jobs.

NOTE: Please turn to page 7 and review the preferred reading list.

PREFERRED READING LIST

This instructional module is designed to introduce key concepts regarding ways to improve employee selection, training, and supervision. For a more in-depth examination of this topic area, study the following preferred readings.

SMALL BUSINESS ADMINISTRATION SMALL MARKETERS AIDS

#106 "Finding and Hiring the Right Employees"

#136 "Hiring the Right Man"

SMALL BUSINESS ADMINISTRATION MANAGEMENT AIDS

#185 "Matching the Applicant to the Job"

NOTE: You have now completed the module requirements. You may wish to review this module or advance to another module.

SMALL BUSINESS ADMINISTRATION

U. S. Government Agency

Small Marketers Aids

No. 106

Washington, D. C. Reprinted August 1976 First printed September 1964

FINDING AND HIRING THE RIGHT EMPLOYEE

By Rudolph Raphelson

Occupational Analyst

Pennsylvania State Employment Service, Philadelphia, Pennsylvania

SUMMARY

A part of efficient management in a small store or shop is taking time to find and hire the right employee. Three steps can be helpful: (1) decide what kind of skill is needed, (2) contact sources which can help recruit people, and (3) screen applicants in order to pick the best one.

This Aid includes sample application forms. They are tools for gathering information which the owner needs when he screens job applicants.

"When I need a man, I get one as soon as I can and put him to work right away," one small marketer says. "I can't afford to keep customers waiting."

Such urgency plus the feeling that good employees are hard to find means that some small retail and service owners often hire people without shopping around. These businessmen feel that they don't have time to interview and screen job applicants. They fail to realize that improper selection of new employees is the easiest way to increase the cost of doing business.

Still other small retailers and service operators take time to look for the right employee. They handle this problem in three steps: (1) they decide the kind of applicant they need; (2) they contact sources which can help recruit applicants; and (3) they screen applicants in order to pick the best ones.

DECIDING WHAT KIND OF APPLICANT

In determining the kind of job applicants he needs, the small marketer should ask himself several questions. First, what kind of person would he ask for if he could have exactly the type applicant he wants? Usually, the ideal applicant is not available. So work down from that point.

Ask yourself: What skill do I really need? In a sense, you are analyzing the job--the most important step before hiring. Then in case applicants with that skill are not available, what is the lowest skill I can get by with? If you cannot get what you want, what kind of applicant can you settle for and still get the job done? Is such an individual available or is he a shortage item in the labor market?

Sometimes a small business owner gets ill-suited job applicants because he fails to spell out what he wants. Bill Retreat* is a case in point. He asked for a "clerk." What he really wanted was a combination bookkeeper-stenographer--two skills which were in short supply even when not combined in one person.

Sometimes service station dealers ask for experienced "attendants." They feel that they do not have to spell out the duties of the attendant. "If he's a gas station attendant, he'll know what he has to do," they say.

Yet, as in most jobs, gas attendants have a range of duties. For example, some work only on the driveway; their job is selling gasoline. Others lubricate cars and change tires in addition to pumping gasoline. Still others also do repair work during slack times at the pumps.

The trick in getting the right man for any job is deciding what kind of skill is needed. Then, the applicant's skills and experience can be matched against the requirements of the job.

If a service station dealer, for example, needs a repairman but doesn't say so, he can waste much time interviewing men who are qualified only for driveway work. If he only needs a gas pumper, he wastes time and

*Names are disguised in Aids.

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money if he interviews and hires a mechanic.

On the other hand, suppose that you run a roofing firm and need a sheet metal man. Suppose further that experienced sheet metal workers are hard to get. Could you settle for a trainee who has aptitude and is willing to learn?

Sometimes the retailer whose business is growing has trouble deciding the kind of help he needs. While he is busy with customers, the telephone rings and letters which need answering pile up. He begins to feel that he needs a secretary. But does he?

Secretaries are scarce and expensive. Stenographers are also hard to find in many towns and are almost as expensive as secretaries.

Perhaps the retailer could get by with a typist. True, it is a chore for him to write out letters rather than dictating them. But his chances of getting a typist may be pretty good. And hiring a typist instead of a stenographer can save him from $15 to $25 a week. Further, many retailers are not skilled at dictation and can compose a letter much better by seeing what it looks like before it is typed.

Keep in mind that the kind of skill you want may be hard to get. Decide what skill you can settle for. How far down the line can you go? If you cannot get a repairman, for instance, what kind of a trainee can you use?

CONTACTING SOURCES OF APPLICANTS

After you know the kind of skill you need, you are ready to contact sources which can help you recruit job applicants. One source is the Public Employment Service.

Each State has its Employment Service (sometimes called "Employment Commission", "Employment Security Agency", or "Commission"). The State Services are affiliated with the United States Employment Service. Throughout the Nation, about 1900 local offices are ready to help businessmen with their hiring problems.

The Employment Service will recruit applicants, screen them according to your specifications, and send you the ones who best meet the specifications. So be as specific as you can about the skill you want when you order a job placement from the Employment Service.

When you are willing to hire a trainee, the Employment Service can often screen applicants by giving them aptitude tests--that is, when tests are available for the skill you need. A high score doesn't guarantee that the applicant will be a success, but it does indicate that he has the ability to learn the work.

In addition, the Employment Service may be able to help you in other ways to solve problems you may have in finding, hiring, and holding employees.

Another source of recruitment is right at your front door. Some stores put a "Help Wanted" sign in the window. This practice can cut into your time because many unqualified applicants may inquire. Then, too, when you turn down an applicant, you may risk losing his business or that of his friends and family.

A newspaper advertisement is another source of applicants. With it, you reach a fairly large group of jobseekers. Yet, like the "help wanted" sign, it may bring in many people who are not qualified. If your telephone number is in the ads, calls could tie up your line and keep customers from reaching you.

One way to cut down on the time you spend on recruiting is to advertise and let the Employment Service screen for you. Thus applicants report to it rather than to your store or shop and are screened by its experienced interviewers. You interview only a select number--the 3 or 4 best applicants.

Job applicants also can be found by contacting friends and neighbors, customers, suppliers, or present employees. However, don't overlook a problem which can come from such recruiting. How do you keep the goodwill of those sources if the person they recommend turns out to be no good and you have to fire him?

_____ 19___

Name _____ Phone No. _____

Address _____

Age____ Draft Status_____ Single___ Married_____ No. of children_____

Education: High School ___Years College_____ ___Years
(name)

If you own an auto_____. Salary expected $_____ per month.
(make and year)

How did you happen to apply here?_____

BRIEF WORK HISTORY

Company	Your Supervisor	Job Title	Dates From	To	Salary per mo.

(continue work history on other side, if necessary)

Name				Social Security No.
Address				Phone No.
Date of Birth	Height	Weight	___Married ___Single	Number of dependents
Circle highest year of schooling completed 1 2 3 4 5 6 7 8 9 10 11 12				
Name of School			Course & subjects	
Do you have a driver's license? ___Yes ___No Do you own tools? ___Yes ___No				

Last Employer	Describe Job
Address	
Your Supervisor	Length of Employment
Date left	Reason for leaving
Previous Employer	Describe Job
Address	
Your Supervisor	Length of Employment
Date left	Reason for leaving
If you have never worked before, please give the name and address of the (1) school principal:	(2) school counselor(or last teacher):

Sometimes a friendly competitor or a business colleague can supply applicants. It may be that he had to lay off a good worker because business has fallen off.

Still another recruitment source is the distributive education departments of high schools--especially if you can use part time employees. The high school boy or girl works in your store while learning about selling and merchandising along with his or her other school courses. In many cases, these young persons stay with the store after they finish high school. Some grow quickly to responsible positions.

In some localities, private employment agencies offer another possibility for help in recruitment. The employee usually pays the fee, but sometimes the employer pays it or part of it.

Still another source of job applicants exists for some areas that are near an armed forces separation center. Job referral is not part of the center's work, but you may be able to attract men who are leaving the service if you let it be known that you have a job opening.

Your choice of what recruiting method you use depends on your type of business and the situation in your locality. In some areas, one source of job applicants may be better than another. Then again, you may find that a combination of sources will best serve your needs in finding new employees. The important thing is to find the right employees for the jobs you want to fill, whatever the source.

SCREENING APPLICANTS

The hardest part of your work in finding and hiring the right employee starts when applicants apply for the job. Now you have to screen them and pick the one who seems right for your business.

The application form is a tool which can help make your task of interviewing easier. A well-organized application blank gives you facts to use as a basis for judging the applicant--especially when it has been prepared with a particular type of job in mind. The two sample forms on pages 2 and 3 of this Aid should be helpful when you work up your own form.

Although you'll want a fairly complete application--so you can get sufficient information--your form itself can be kept simple. It can be a mimeographed or ditto form.

Have the applicant fill out the application form before you talk with him. It makes a good starting point for your interview. It is also a written record of certain facts--education,

work experience, names of former employers, and other references.

When an applicant has had good work experience, other references are not very important. However, if he has had little, or no work experience, you should ask him to list the names of his school principal, vocational counselor, teacher, and other individuals who can give you objective information.

Never ask for personal reference--the "Anyone who knows you" kind. They are rarely worth anything.

A important thing in interviewing is taking the time necessary to get the applicant to talk about himself and his work experience. Your aim is to get as much information as you can about his background and his work habits.

Ask specific questions: What did he do on his last job? How did he do it? Why was it done?

As you go along, evaluate the applicant's replies. Does he seem to know what he is talking about? Does he seem evasive? Are there discrepancies in his story? Can he give a sound reason for them?

In evaluating his replies, try to be objective and unbiased. For example, if you have a personal prejudice against people who wear a certain color necktie, don't allow that feeling alone to cause you to reject what might well be your best applicant.

When the interview is over, note your impression on the application form and put it aside until you have seen other applicants. They may prove to be better.

The next part of your screening is to verify the information you have gotten about the applicant. In most cases, the best source is his previous employer.

Sometimes you can check the information by telephone. However, some employers may not want to give such information on the telephone so it may be better to put your request for information in writing.

When you write to check references, you can help the busy executive to reply quickly. Send him a list of questions which he can answer by a check or with one or two words. For example: How long did Joe Blank work for you?___ His work was: Poor___ Fair___ Good___ Excellent___.

When you have verified the information on all the applicants, you are ready to decide which is the best one for your job. Keep in mind, as you weigh them against each other, that an important part of running your business is selecting employees.

The right employees can help you make money. Wrong ones can waste time and materials, and in some cases, drive away customers. So take time to (1) determine the kind of applicants you need, (2) contact sources which can help you find applicants, (3) interview them, and (4) check the information you get in that personal contact.

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HIRING THE RIGHT MAN

HELLO, ACE EMPLOYMENT AGENCY? I WANT TO HIRE A GAS STATION ATTENDANT.
SO YOU WERE SENT BY ACE EMPLOYMENT AGENCY. WHAT'S YOUR EXPERIENCE?
I'VE BEEN A GAS STATION ATTENDANT FOR 5 YEARS. HERE ARE MY REFERENCES
YES, JOE HAS BEEN AN EXCELLENT GAS STATION ATTENDANT···HARD WORKING, CHEERFUL, DEPENDABLE.
FILL 'ER UP! OH, MY CAR NEEDS A LUBE JOB, TOO.
?
I'LL HANDLE THIS. TAKE CARE OF THE NEXT CUSTOMER.
LOOK AT MY ENGINE. I WANT TO KNOW WHY IT IS MISSING.
SHE'S RIGHT! THE ENGINE IS MISSING!
BEEP! HONK
HONK BEEP BEEP!

SEE OTHER SIDE

1. KNOW WHAT YOU WANT NEW EMPLOYEE TO DO.

2. DECIDE WHAT SKILLS NEW EMPLOYEE WILL NEED TO DO THE JOBS YOU WANT HIM TO DO.

3. DON'T HIRE UNTIL YOU FIND AN EMPLOYEE WHO HAS THESE SKILLS.

DON'T DO THIS

HELLO, ACE EMPLOYMENT AGENCY? I WANT TO HIRE AN EXPERIENCED GAS STATION ATTENDANT WHO CAN HANDLE LUBE AND MINOR MECHANICAL JOBS

DO THIS

FOR MORE INFORMATION
Get a Free Copy of SMA 106
"Finding and Hiring the Right Employee"
FROM THE NEAREST SBA OFFICE

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MATCHING THE APPLICANT TO THE JOB

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SUMMARY

Matching an applicant to a job is a process that starts when the applicant applies to fill a job opening. It lasts until the end of his probationary period.

Certain steps are helpful in developing a prospective employee into a productive operator. The information he gives on the application blank and in the interview should be evaluated against the specifications of the job.

The owner-manager should prepare for the interview so as to ask the questions necessary for getting pertinent information from the applicant. On the other hand, the applicant should have the facts he needs to determine whether to accept or reject the job.

Once hired, the new man should be interviewed periodically to: (1) insure that he knows what is expected of him, (2) correct misconceptions, and (3) encourage him to develop his strong points.

The owner-managers of most small companies would not think of buying a piece of equipment until they had evaluated it systematically. They want to be sure that the machine meets specifications, can help pay for itself, and last for a reasonable length of time.

However, when selecting personnel to operate the equipment, some owner-managers use no system. Rather, it's, "Get two men in here as quickly as possible."

Little, if any, time and energy are spent trying to match the applicant to the job. The result is waste. In the long run, mistakes in selecting employees may cost far more than the loss caused by selecting the wrong equipment.

Where people are involved, mistakes cannot be eliminated completely, of course. However, mistakes in hiring and fitting personnel into the operation can be greatly reduced when the company uses systematic procedures for selecting and placement. An orderly approach helps the owner-manager to evaluate the applicant. It also helps the applicant to evaluate the job.

After all, the selection process is essentially a joint decision process for you and the prospective employee. That decision can be only as good as the amount and quality of information which is exchanged.

SET UP JOB SPECIFICATIONS

Knowing and spelling out the job requirements is the first step in seeing that the right kind of information is exchanged between you and the applicant. The owner-manager who uses a job description finds it easy to develop a specifications sheet for a particular job.

Briefly, a job description lists three kinds of specifications.

First, what kind of information must the applicant have to qualify for the job? For example, does he have to know mathematics? Accounting? Drafting?

Second, what special skills are involved? Moreover, these skills must be carefully defined and the necessary experience outlined. For example, does the job require shorthand? Welding? The ability to operate a lathe?

Third, what personal characteristics and attitudes should the applicant have? Does the job call for a person who has, or can be trained to have, a high regard for quality work? Does the job call for an outgoing personality--one that helps the employee to work well with other people?

A job description helps you to evaluate the prospective employee. You use it to see how he matches the information, skill and attitudes that are necessary

LOOK AT PRESENT EMPLOYEES

After you have the job specifications in mind or on paper, take a look at your present employee, or employees. Some of them may be a good match for the specifications.

In fact, one of your present employees may fit the bill exactly. Or he may come so close to it that only a little training is needed to turn him into an effective producer. You can find out fairly quickly in a small shop because you know your employees. For example, you already know their faults and can judge whether these shortcomings would hinder performance on the new job. On the other hand, you do not know the faults of a new man, and, furthermore, they may be worse than those of an employee in your shop.

If none of your people is ready for the promotion, you might save time and money in the long run by getting some ready. The owner-manager who tries to rotate his men so they can qualify themselves for promotion finds it easier to match up "homefolks" to skilled jobs when they are needed because of expanded operations or when vacancies occur.

Keep in mind that the owner-manager risks getting a reputation for running a "blind alley" shop when he does not provide opportunities for promotions. When word gets around that the company does not advance employees, the company runs the risk of having only the most undesirable applicants answer its help-wanted ads.

USE AN APPLICATION BLANK

When none of your personnel can be mated with the job opening, the only alternative is to look outside the company. In such an event, an application blank is a necessity. It is your tool for getting the prospective employee to describe himself. It can be a printed one which you buy or one you've developed.

On it, the applicant lists the companies he has worked for, the titles of the jobs he has held, and the length of time he has spent with each company. He describes his education, his background, marital status, and so on.

In developing an application form for your firm if you don't already have one, keep in mind that many States have restrictions on the kinds of questions an employer may include in his application blank. You should check any laws which your State may have about fair employment practices.

For additional information and a sample application blank see "Finding and Hiring the Right Employee," *Small Marketers Aids* No. 106, available free from the nearest SBA office or SBA, Washington, D.C. 20416.

INTERVIEWING THE APPLICANT

When the prospective employee hands his completed application blank to you or your employment manager, the task of matching him and the job specifications is only beginning. You use the information he has given to learn about him in more detail. One key is asking questions which will lead him to tell what you need to know.

An employment interviewer should know before hand the questions he needs to ask. If you do the interviewing yourself, many of the questions may already be in your mind from your personal experience with the job.

It is a good practice to jot down the points you need to cover so as not to overlook anything significant. Make a list. Put the questions in the order you think is needed to keep the applicant talking on the points about which you need detailed information. Check your list against the job description to see if there are other questions that need to be included. Such preparation saves time and enables you to get the information you need to decide whether to hire the applicant.

The owner-manager should keep in mind that interviewing is a two-way affair. The applicant wants, and needs, information about the job and the company. He needs facts to decide whether to accept, or reject, the job.

The person who will supervise the prospective employee also should be brought into the act. If you do the interviewing yourself, arrange for the supervisor to meet the applicant. You might want the supervisor to show him the job and the shop. The owner-manager who fails to let the foreman have a hand in hiring asks for trouble. "I can't make an operator out of nothing," is often the attitude of supervisors who had no voice in selecting new employees.

In addition to the interview, some companies use psychological tests to determine the applicants' aptitudes. You might check with your trade association to learn if, and to what extent, tests for your industry are available. You will want to keep in mind that usually a psychological test is valuable only when it is used properly and take whatever steps are necessary to insure proper use.

CHECKING ON THE APPLICANT

Once you have determined that an applicant is reasonably well qualified for the job, you need to check on the information he has given on his application blank and in the interview. It is fairly easy to verify dates of his previous employment, jobs held, wages or salary paid, and school years attended. Telephone calls, or letters to schools and former employers will do the job. You will want to know whether former employers would consider rehiring him.

However, checking the applicant's personal references may not be fruitful. Keep in mind that most applicants list only references which will be favorable to them. Sometimes such references are only good for verifying the information on the application blank. For example, the reference may say something like, "He's a good boy. His family lived next door to me for 3 or 4 years and he finished high school."

If you ask the applicant to furnish a letter of reference about his ability to do the job, you may be fooling yourself. The writer may have little or no idea of your job requirements. Many employers find that a telephone call works better than a letter of reference because they can describe the job requirements and working conditions in some detail. It is then possible to ask whether the reference knows the applicant well enough to give an opinion about the applicant qualifications for the job.

PHYSICAL EXAMINATION

The physical requirements of the job also must be matched to the applicant. Requiring that each employee be examined by a physician before you hire him is worth the cost. The examination will reveal physical limitations, if any, which would limit the prospective employee's job performance.

Moreover, a physical examination helps the owner-manager to comply with State workmen's compensation laws by providing a record of the employee's health at the time of hiring. Some applicants may have physical disabilities that can cause them trouble after they go to work. The pre-job physical examination will prevent compensation claims for an injury which occurred before you hired the applicant.

THE MOMENT OF CHOICE

When they have the doctor's report, some owner-managers feel that the "moment of choice" is upon them. They are ready to decide whether to reject or hire the applicant. Actually, at this point, the only decision they are prepared to make is whether he looks good enough to hire on a trial basis.

Deciding whether the applicant matches the job can be made only at the end of a probationary period. By then, you should have enough information to determine whether the new employee and the job match. Likewise, by then, he should know your company well enough to determine whether he wants to stay. In a sense, both he and your company are on trial during the probationary period.

A probationary period, if you aren't already using one, should be set for the various jobs in your plant. The length of time depends upon the type of work. Some jobs may require 6 weeks, others 12--depending on how long it takes to learn to do the particular job in the way you want it done.

You may want to keep in mind that some people feel that in a tight labor market it is better not to speak of a probationary period as such. They feel that it "scares off" applicants. Be that as it may, any new employee is on "probation," and those who want to show what they can do, usually do not mind a trial period.

Regardless of its length, a probationary period gives you the opportunity to observe the man on the job. You should have a system of some sort to insure that the observations are made. Most systems of observation consist of formal interviews with the new employee.

The first interview should be held at the end of the first week. Its purpose is to make sure that the new man has the facts he needs. Ask whether he has any questions about the rules you described when he was hired. On the job, is he getting answers to his questions about the work? Ask him what instructions he has received from his supervisor. Get him to give examples.

In this first interview, it is important to get him to tell you his ideas of what performance is expected of him. You can correct any misconception and thus help him prepare for the evaluation you will make at a later date.

You may want to interview the new man again a week later. It need not be a long discussion. The purpose is to correct any mistaken ideas he might still have about his job and to make sure that he feels that you and your people are living up to the facts he was given in his employment interview.

After you are sure that the new employee understands completely what is expected of him, you can start to point out any of his shortcomings. No later than the end of his third week, you should let him know whether he is performing up to your expectations. Give him every opportunity to improve. In a 12-week probationary period, evaluate and meet with him again at the end of the first 6 weeks.

During these early weeks, you will, of course, be observing the new man when you are in the shop. You will also be checking his progress with his supervisor. In addition, the people who work near him may volunteer comments.

The real "moment of choice" comes toward the end of the trial period. At that point, "selection" is appropriate. By then, you have enough information to tell whether the man matches the job.

When you sit down to make the final decision, again use the job description. Go through this statement of specifications for the work item by item. Mark how well he meets the "specs." You may want his supervisor to do the same. Compare the two opinions before making up your mind.

Keep in mind that during the probationary period, the new employee has tried you out as well as your having had him on trial. If either, or both, of you decide that he does not match the job, the parting should be as graceful as possible.

If your decision is to keep him, let him know his strong points, as well as his weak ones. Encourage him to keep trying to improve his work. Give him as definite an idea as possible when he can expect to merit increase in pay.

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